IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

COMPANY PETITION No.12 of 2002

For Approval and Signature:

Hon'ble MR.JUSTICE D.A.MEHTA Sd/-

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1. Whether Reporters of Local Papers may be allowed to see the judgements? : NO

2. To be referred to the Reporter or not? : NO

3. Whether Their Lordships wish to see the fair copy of the judgement? : NO

4. Whether this case involves a substantial question of law as to the interpretation of the Constitution of India, 1950 of any Order made thereunder? : NO

5. Whether it is to be circulated to the Civil Judge? : NO

SANDVIK STEEL ASIA PVT. LTD.

Versus

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Appearance:

MRS SWATI SOPARKAR for Petitioner No. 1

MS PJ DAVAWALA, Addl. Central Govt.Standing Counsel

CORAM : MR.JUSTICE D.A.MEHTA

Date of decision: 04/05/2002

ORAL JUDGEMENT

This is a petition filed by the petitioner Company for sanction of a Scheme of Amalgamation of Sandvik Steel Asia Private Limited (the Transferor Company) and one other Transferor Company with Sandvik Asia Limited (the Transferee Company) under Section 391 read with Section 394 of the Companies Act, 1956.

2. The petitioner Transferor Company is a Private Limited Company which is engaged in the manufacturing and selling of seamless steel extruded products like tubes

and pipes. The Transferee Company is a Public Limited Company based in the State of Maharashtra. It is engaged in the manufacturing of tungsten carbide cutting tools and other products. The amalgamation is proposed for the synergic advantages. The petition gives details of the advantages that would flow by virtue of the amalgamation of these companies. Since the other Transferor Company and the Transferee Company are situated respectively in the State of Karnataka and Maharashtra, the necessary proceedings have been taken out in the respective High Courts.

3. The meetings of the Equity and Preference shareholders of the Transferor Company were dispensed with in view of the consent letters from all the shareholders of the Company approving the scheme being put on record. The meetings of the creditors were also dispensed with in view of the submission that no compromise is proposed to them and the Transferee Company shall be in a position to meet with all the liabilities as and when they fall due. It was also undertaken that the individual notice of the petition shall be served upon all the creditors of the Company.

4. After the petition was admitted, the same was duly advertised in the newspapers, namely, Indian Express (Ahmedabad edition) and Jansatta (Ahmedabad edition) of 29-01-2002 and the publication in the Government Gazette was dispensed with as directed in the order dated 18-01-2002. The individual notice was also served upon all the creditors. No one has come forward with any objections to the said petition even after the publication and service of notice.

5. Notice of the petition of the Transferor Company was served upon the Official Liquidator attached to this Court. The report dated 12-04-2002 filed by the Official Liquidator confirms that the affairs of the Company have not been conducted in a manner prejudicial to the interest of its members or to the public interest.

6. Notice of the petition has been served upon the Central Government and Smt.P.J.Dawavala, Additional Standing Counsel appeared for the Central Govt. Smt. Davawala has informed the Court and put on record the letter from the Registrar of Companies of Gujarat dated 27-03-2002 indicating that the Central Govt. has decided not to make any representations on behalf of the Central Govt. and to leave the petition to be decided by the Hon'ble High Court on merits. There are no other objections raised anybody. In view of this, there is no

reason to withhold the sanction to the Scheme of Amalgamation.

7. I have heard Smt. Swati Saurabh Soparkar, learned advocate for the petitioner - Company. Having gone through the petition, I am satisfied that the amalgamation would be in the interest of the companies and their members and creditors. Prayer in terms of paragraph 28(a) is hereby granted i.e. to the effect that the Scheme of Amalgamation (Annexure-G) is sanctioned so as to be binding on the petitioner Company, on all equity shareholders and all creditors of the petitioner - Company.

8. The petition is disposed of accordingly, So far as the costs to be paid to the Central Government standing Counsel if concerned, I quantify the same at Rs.3,500/(Rupees Three thousand five hundred). The same may be paid to the learned advocate Smt.P.J.Davawala.

Sd/-
(D.A.Mehta, J)
'Bhavesh'